



#### Air Pollution Control Board

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#### Air Pollution Control District

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## COMPLIANCE ADVISORY

### NOTICE OF ADOPTION OF RULE 60.2 LIMITING POTENTIAL TO EMIT-SYNTHETIC MINOR SOURCES

On April 30, 1997, the San Diego Air Pollution Control District (District) adopted Rule 60.2, a new rule that allows certain sources to opt out of the Title V permit program, which applies to major stationary sources, by accepting permit conditions that limit their air contaminant emissions to less than major source thresholds. The United States Environmental Protection Agency (EPA) considers a facility to be a major source if its *potential* to emit is above one or more major source thresholds (see Attachment A). Facilities whose *actual* emissions are below major source levels can be affected by the Title V permit program if they have a theoretical potential to emit above major source levels.

The District intends to focus initial Title V permit requirements on sources whose actual emissions are above the major source thresholds. However, because EPA has designed this program to apply to major sources based on their potential emissions, sources whose actual emissions are less than the major source thresholds are at some risk of EPA or citizen enforcement of the requirement to apply for a Title V permit.

EPA is currently developing a rule to establish requirements for sources that want to opt out of Title V and become synthetic minor sources by accepting permit conditions that limit their air contaminant emissions to less than major source thresholds. However, this rule is not expected to be proposed until the Spring of 1998. In the interim, EPA has published a transition policy, which applies through July of 1998 that allows facilities whose actual emissions are less than the major source thresholds to opt out of Title V requirements.

To opt out of Title V permitting, EPA's transition policy requires that sources with actual emissions between 50% and 100% of one or more major source thresholds become synthetic minor sources by maintaining District permits with practicably enforceable permit conditions that limit emissions to less than major source thresholds. Rule 60.2 is designed as a mechanism for this first group of sources to apply for and receive synthetic minor source status.

Because of the added costs to the sources and the added workload for the District, and because EPA's transition policy is an interim policy, synthetic minor source status is not mandatory.

A source can elect to apply for a Title V permit (based on potential emissions), or

- elect to apply for synthetic minor source status under Rule 60.2, or
- can elect to apply for local permit conditions that limit total facility emissions without using Rule 60.2, or
- can continue to operate under their current District permits during EPA's transition period (through July 1998).

A source can elect the last option after deciding the risk of EPA or citizen enforcement of Title V permit requirements does not warrant the expense of the first three options.

For those sources electing to limit their emissions under Rule 60.2, the rule includes the following:

- Does not apply to sources subject to Title V for any reason other than being a major source.
- Defines a synthetic minor source and defines legally and practicably enforceable permit limits that allow a source to limit its emissions.
- Allows synthetic minor source status on a pollutant-by-pollutant basis.
- Allows synthetic minor source status without specific, practicably enforceable permit limits on every emission unit. Only a certain level of actual emissions will be allowed from emission units without practicably enforceable permit limits. The amount of allowed emissions is 50% or less of the difference between a major source threshold and the emissions allowed by permit limits for the majority of the facility's emission units. In addition, for emission units without practicably enforceable permit conditions, actual emissions must be determined without consideration of emission reductions from air pollution control equipment.
- Specifies timelines and content of applications for synthetic minor source status.
- Provides that a source submitting an administratively complete application for synthetic minor source status and maintaining records as specified in the rule will not be considered a major stationary source by the District unless the application is canceled or denied.
- Describes procedures for processing and renewing applications for synthetic minor source status.
- Specifies that a synthetic minor source is not considered a major stationary source if it is in compliance with its permit limits and the requirements of the rule.
- Specifies that application, renewal and compliance fees for synthetic minor sources will be based on actual increased District costs.
- Specifies record keeping and reporting requirements for synthetic minor sources.

Sources that choose to apply for synthetic minor source status will be required to reimburse the District for its costs in developing the necessary permit conditions and emission estimates. Depending on the complexity of the source, application fees for synthetic minor source status could average \$2,000 to \$10,000 per facility. In addition, a source accepting synthetic minor source status may incur additional recordkeeping costs and costs associated with District determinations of ongoing compliance.

The EPA transition policy requires that sources with actual emissions less than 50% of all major source thresholds keep adequate records to show actual emissions remain below 50% of major source levels. Options for these sources are not addressed by Rule 60.2 and will be addressed in a separate District advisory.

If you would like a copy of Rule 60.2, please call Juanita Ogata at (619) 694-8851. If you have any questions concerning the rule, please call Steve Moore at (619) 694-3198.

**ATTACHMENT A****Major Source Thresholds**

<b>Pollutant</b>	<b>Major Source Threshold (tons per year)</b>
Oxides of nitrogen (NO <sub>x</sub> )	50
Volatile organic compounds (VOC)	50
PM <sub>10</sub> particulate matter	100
Carbon monoxide (CO)	100
Sulfur oxides (SO <sub>x</sub> )	100
Any single hazardous air pollutant (HAP)	10
Any combination of HAPs	25
Any other regulated pollutant (e.g., CFCs, HCFCs, ammonia)	100